

Influence of Performance Appraisal Fairness and Job Satisfaction through Commitment on Job Performance

Trias Setiawati*
Universitas Islam Indonesia

Indah Dwi Ariani
Universitas Islam Indonesia

— *Review of* —
**Integrative
Business &
Economics**
— *Research* —

ABSTRACT

This paper discusses the influence of performance appraisal fairness and job satisfaction through commitment on job performance among respondents working in Condong Catur Hospital (RSCC) in Yogyakarta, Indonesia. This study aims to determine the influence of performance appraisal fairness and job satisfaction through commitment on job performance. As a quantitative research study, samples were selected by using a survey. Data were collected through questionnaires that were distributed to 187 employees of RSCC. 155 questionnaires were returned. Data were analyzed via t-test, F-test, multiple linear regression, and path analysis. Results indicate that performance appraisal fairness and job satisfaction have positive and significant influence on job performance partially and simultaneously. Moreover, performance appraisal fairness and job satisfaction have positive and significant influence on employee commitment partially and simultaneously. However, the direct effect of performance appraisal fairness and job satisfaction on job performance is greater than the indirect influence.

Keywords: Performance Appraisal Fairness, Job Satisfaction, Commitment, Job Performance, Distributive Justice, Procedural Justice.

Received 20 May 2019 | Revised 3 August 2019 | Accepted 23 August 2019.

1. INTRODUCTION

Employee performance is an important component in an organization. It can determine the grade of the organization in the market environment and help achieve the organization's goals. Campbell *et al.* (1993) defined performance as the behavior or action to reach an organizational goal. Performance is the outcome of employees' work (Bernardin *et al.*, 2003). Bates and Holton (1995) stated that performance is multidimensional in which measurement depends on various factors.

Various factors influence employee performance, and one factor is commitment. Al-Ahmadi (2008) said that employee performance is influenced by his/her commitment. The more committed an employee is to an organization, the harder they work. This idea is supported by Mrayyan *et al.* (2008), Syauta *et al.* (2012), and Al-Ahmadi (2008) who found that commitment and performance have a positive relationship. Employee commitment can maintain a good relationship between employees and the organization, which consequently increases the performance of an organization. This idea is supported by Samad (2005)'s claim that employees who are committed have better work

performance. By contrast, Lee *et al.* (2010) found that not all commitment dimensions can influence job performance. Affective commitment positively affects job performance, whereas continuance and normative commitment negatively influence job performance.

Another variable that can influence job performance and employee commitment is job satisfaction. This idea is supported by Than *et al.* (2016), Shore and Martin (1989), and Samwel (2018). Samwel (2018) indicated that when employees are satisfied with their jobs, they tend to be more committed and loyal to the organization and directly improve their performance. However, Ahmad *et al.* (2010) reported the negative influence of job satisfaction on job performance. Performance appraisal fairness can encourage employees to have good commitment and performance to the organization. This statement is supported by Kaleem *et al.* (2013), Warokka *et al.* (2012), and Kumari (2013), among others.

Accordingly, the present research analyzes the influence of performance appraisal fairness and job satisfaction through commitment on the job performance of employees in Condong Catur Hospital (RSCC) in Yogyakarta, Indonesia.

2. LITERATURE REVIEW

2.1. Hypothesis Development

2.1.1. Relationship between Performance Appraisal Fairness and Commitment

Salleh *et al.* (2013) tested the relationship among performance appraisal fairness, organizational commitment, and job satisfaction. The results of their study indicate that the relationship between performance appraisal fairness and organizational commitment is significantly positive. Hence, performance appraisal fairness and job satisfaction influence organizational commitment. Krishman *et al.* (2018) tested the relationship between perceived performance appraisal fairness and employees' organizational commitment. They concluded that perceived performance appraisal fairness positively influences organizational commitment.

Ahmed *et al.* (2013) tested the relationship among perceived performance appraisal fairness, organizational commitment, and work performance. The results of their study indicate a strong relationship between perceived performance appraisal fairness and organizational commitment. Iqbal *et al.* (2016) tested the relationship among perceived performance appraisal fairness, job satisfaction, and organizational commitment. The study reported that perceived performance appraisal fairness and job satisfaction influence organizational commitment. On the basis of the above discussion, the following hypotheses are proposed:

H1: A significant relationship exists between performance appraisal fairness and employee commitment.

2.1.2. Relationship between Job Satisfaction and Commitment

Lumley *et al.* (2011) tested the relationship between job satisfaction and organizational commitment of information technology employees. The results of their study indicated a high correlation between job satisfaction and employee commitment. Iqbal *et al.* (2016) tested the relationship among perceived performance appraisal fairness, job satisfaction, and organizational commitment. The study reported that perceived performance appraisal fairness and job satisfaction influence organizational

commitment. Samwel (2018) tested the relationship between job satisfaction and performance, with organizational commitment as the intervening variable. The study revealed positive significance in the relationship between job satisfaction and commitment. Aban *et al.* (2019) indicated that increased job satisfaction raises organizational commitment. Zain and Setiawati (2019) found that job satisfaction has a positive and significant effect on the three dimensions of organizational commitment. On the basis of the above discussion, the following hypothesis is proposed:

H2: A significant positive relationship exists between job satisfaction and organizational commitment.

2.1.3. Relationship between Organizational Commitment and Job Performance

Syauta *et al.* (2012) tested the relationship between organizational culture and organizational commitment with job satisfaction and employee performance as the intervening variables. The study showed a positive relationship between organizational commitment and employee performance. Mrayyan *et al.* (2008) tested the relationship between organizational commitment and employee performance and revealed a significant positive relationship between the two. Memari *et al.* (2013) tested the relationship between organizational commitment and employee performance and showed a significantly positive relationship between the two. Al-Ahmadi (2008) tested the relationship among organizational commitment, job satisfaction, and self-reported performance. The study showed that organizational commitment has a significant relationship with self-reported performance. Rachman (2014) found that high organization commitment can improve performance. On the basis of the above discussion, the following hypothesis is proposed:

H3: A significant relationship exists between employee commitment and job performance.

2.1.4. Relationship between Performance Appraisal Fairness and Job Performance

Kumari (2013) tested the impact of performance appraisal fairness on employee performance and showed that the former has a positive significant effect on the latter. Warokka *et al.* (2012) tested the relationship among organizational justice in performance appraisal and work performance. The study showed that organizational justice in performance appraisal increases employee performance. Kaleem *et al.* (2013) tested the relationship between organizational justice in the performance appraisal system and job satisfaction and their effect on work performance. The study showed that performance appraisal strongly influences work performance. Iqbal *et al.* (2013) tested the relationship between performance appraisal and employee performance and showed a significantly positive relationship between the two. On the basis of the above discussion, the following hypotheses are proposed:

H4: A significant relationship exists between performance appraisal fairness and employee performance.

2.1.5. Relationship between Job Satisfaction and Job Performance

Than *et al.* (2016) tested the relationship among job stress, involvement, and job satisfaction and their effect on the job performance of garment workers from 10 corporations. The study indicated that all the hypotheses were significantly positive. Shore and Martin (1989) tested the relationship between job satisfaction and work performance and indicated a positive significant influence of the former on the latter.

Ahmed *et al.* (2010) tested the relationship among job satisfaction, organizational commitment, and job performance. The results indicated that job satisfaction has a negative influence on job performance. Zain and Setiawati (2019) indicated that job satisfaction has a significant and positive effect on work performance. On the basis of the above discussion, the following hypothesis is proposed:

H5: A significant relationship exists between job satisfaction and employee performance.

2.1.6. Relationship among Performance Appraisal Fairness, Organizational Commitment, and Job Performance

Ahmed *et al.* (2013) tested the relationship between performance appraisal fairness and organizational performance and reported a significant positive relationship between the two. Moreover, organizational commitment can strengthen the relationship. Solihin and Pike (2009) tested the relationship among performance evaluation fairness, trust, commitment, and performance. The results showed that performance appraisal fairness has a direct positive influence on performance. Kuvass (2011) tested the relationship between performance appraisal and regular feedback on work performance with affective commitment as the intervening variable. He used theory from Kuvass (2007) for performance appraisal, theory from Kuvass (2006) for regular feedback, theory from Mayer and Allen (1997) for organizational commitment, and theory from May *et al.* (2001) for work performance. This study found that performance appraisal has a significant positive relationship with job performance with or without organizational commitment. On the basis of the above discussion, the following hypothesis is proposed:

H6: A significant positive relationship exists between fairness performance appraisal and job satisfaction on employee commitment.

H7: A significant relationship exists among performance appraisal fairness, job satisfaction, and job performance.

H8: The indirect influence of performance appraisal fairness on job performance with commitment as the intervening variable is greater than the direct influence.

2.1.7. Relationship between Job Satisfaction and Commitment on Job Performance

Samwel (2018) tested the relationship between job satisfaction and job performance with organizational commitment as the intervening variable. The study showed a positive significant relationship between job satisfaction and performance without organizational commitment. Shore and Martin (1989) tested the relationship between job satisfaction and organizational commitment and their effect on employee performance and turnover intention. The study showed that job satisfaction has a positive significant effect on job performance and organizational commitment can strengthen this relationship. On the basis of the above discussion, the following hypothesis is proposed:

H9: The indirect influence of performance appraisal fairness on job performance with commitment as the intervening variable is greater than the direct influence.

3. THEORETICAL BACKGROUND

3.1. Performance Appraisal Fairness. According to Greenberg (1986), performance appraisal fairness can be perceived from two dimensions: distributive justice, which is the use of performance appraisal result, and procedural justice, which is the process when employees undergo performance appraisal. Ahmed *et al.* (2013) defined

performance appraisal fairness as the perception of employees on performance appraisal. Standards of fair performance appraisal include receiving appropriate promotion and payment. According to Armstrong (2009), a good performance appraisal is linked with the goals of the organization.

3.2. Job Satisfaction. According to Spector (1997), the factors that influence employee satisfaction are pay, promotion, supervision, contingent rewards, fringe benefit, operating procedures, co-workers, nature of work, and communication. Griffin (1996) defined job satisfaction as the gratification levels of employee work. This definition is supported by Handoko (2014), who defined job satisfaction as the attitude of workers regarding work, such as how happy they are seeing their work. Robbin (2001) added that the level of employee satisfaction influences employee behavior in the organization.

3.3. Commitment. Meyer and Allen (1997) stated three measures of commitment, namely, affective, continuance, and normative. Mowday *et al.* (1982) defined employee commitment as the strong belief in and acceptance of the goal and values of an organization and the desire to stay as a member of the organization. According to Armstrong (2009), organizational commitment is the ability of an employee to continually identify with an organization by showing a strong desire to be a part of the organization. By having a strong belief in and accepting the goals and values of the organization, employees display a readiness to put in a significant amount of effort on behalf of the organization.

3.4. Job Performance. According to Bernardin and Russel (1993), the six factors that can influence employee job performance are quality, quantity, timeliness, cost effectiveness, interpersonal impact, and need for supervision. Schwirian (1978) defined job performance as finishing a job in accordance with established standards. Campbell *et al.* (1993) defined performance as the behavior or action to reach an organizational goal. Bernardin and Russell (2003) determined performance as the record of outcomes produced on a specified job function or activity during a specific time.

4. RESEARCH FRAMEWORK

The research framework of this study is presented in Figure 1.

5. RESEARCH METHOD

5.1. Research Approach The research approach of this study is the quantitative method, which examines the relationship between two variables. The data collection tool is a questionnaire with a six-point Likert scale.

5.2. Research Site. The research was conducted in RSCC, located in 6 Manggis Street, Gempol, Condong Catur, Depok, Sleman, Yogyakarta, Indonesia.

5.3. Population and Sample. The samples of this study were selected using the census method. Data were collected through questionnaires that were distributed to 187 employees of RSCC. However, only 155 questionnaires were returned.

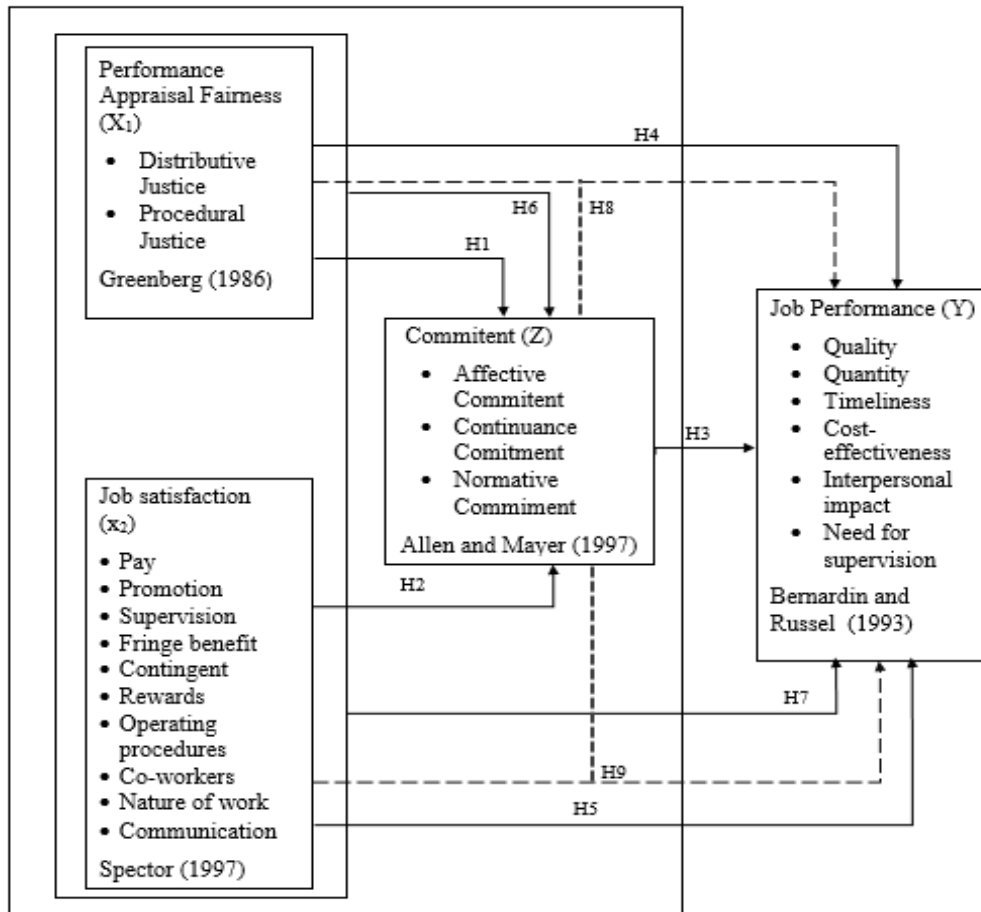


Figure 1: Research Framework

5.4. Operational Variable

5.4.1. Performance Appraisal Fairness. According to Greenberg (1986), the process and result of performance appraisal are important in determining the performance appraisal fairness. Greenberg (1986) identified the dimensions of performance appraisal fairness as distributive justice, which is the use of performance appraisal results, and procedural justice, which is the process that employees undergo in performance appraisal.

5.4.2. Job Satisfaction. According to Spector (1997), job satisfaction involves employees' emotion and affects the organization's well-being, turnover intention, and productivity. Spector (1997) enumerated several factors that can influence employee satisfaction, namely, pay, promotion, supervision, contingent rewards, fringe benefit, operating procedures, co-workers, nature of work, and communication.

5.4.3. Commitment. Meyer and Allen (1997) defined commitment as a psychological construct that employees have toward the organization, which shows the strong

bond between the organization and employees and the strong desire of the employees to contribute in helping the organization to achieve goals. Meyer and Allen (1997) stated three measurements of commitment, namely, affective, continuance, and normative.

5.4.4. Job Performance. Bernardin and Russel (1993) defined job performance as the report of employee performance based on what they have done and achieved while working within a particular period. They also mentioned the six factors that can influence employee job performance, namely, quality, quantity, timeliness, cost effectiveness, interpersonal impact, and need for supervision.

5.5. Instrument Test

5.5.1. Validity and Reliability. The validity test was performed by comparing the r-count and r-table of the indicator of each variable. The value of the r-count must be greater than that of the r-table. The r-table value for this study was 0.1577 ($df = N-2, 155-2 = 153$ with $\alpha = 0.05$). Based on the calculation using SPSS version 25, all variables were valid. Reliability test was calculated using Cronbach's alpha, which should be greater than 0.7. The reliability test indicated that all variables were reliable as the Cronbach's alpha was more than 0.7.

5.6. Data Analysis Method

5.6.1. Classical Assumption

5.6.1.1. Multicollinearity. According to Ghazali (2009), multicollinearity tests aim to determine whether the regression model has a correlation among the independent variables. The condition for multicollinearity test is as follows: If a tolerance is more significant than 10% or the VIF is less than 10, then multicollinearity does not exist. The VIF values for each variable were 1.410 for performance appraisal fairness, 1.570 for job satisfaction, and 1.215 for organizational commitment.

5.6.1.2. Heteroscedasticity. According to Ghazali (2009), the heteroscedasticity test aims to determine whether the regression model occurs in the uniformity of variance from the residual of one observation to another. Heteroscedasticity was calculated by using the Glejser test with a significance level of 5%. The Glejser test results for each variable were 0.328 for performance appraisal fairness, 0.433 for job satisfaction, and 0.153 for organizational commitment.

5.7. Hypothesis Test

5.7.1. t-test. According to Ghazali (2009), t-test determines if unrelated samples have different mean values.

5.7.2. F-test. According to Ghazali (2009), F-test determines if the relationship is valid between one dependent variable and one or more independent variables.

6. FINDINGS

6.1. Descriptive Analysis. The research conducted in RSCC involved 155 respondents. The descriptive analysis of the respondent characteristics consisted of four categories, namely, gender, age, highest educational level, and length of employment. Male respondents had a bigger number than female respondents, which was 79 and 76, respectively. Most respondents were aged 26–30 years (49 respondents), 42 respondents were 32–35 years old, 36 respondents were less than 25 years old, 23 respondents were 36–40 years old, and 5 respondents were less than 41 years old. For education, 66 respondents were bachelor's degree graduates, 51 respondents were undergraduates (S1), 37 respondents were senior high school graduates, and 1 respondent was a junior high school graduate.

6.2. Multiple Regression Analysis

6.2.1. t-test of Performance Appraisal Fairness, Job Satisfaction, and Organizational Commitment. The equation is $Y = 0.778 + 0.183 X_1 + 0.648 X_2$, with a mean of X_2 . The regression coefficient of performance appraisal fairness toward commitment was 0.183. Performance appraisal fairness had a significant positive influence on organizational commitment, with a significance value of 0.001. The regression coefficient of job satisfaction on organizational commitment was 0.648. Job satisfaction had a positive influence on organizational commitment, with a significance value of 0.000. Thus, H1 and H2 are accepted.

Table 1
Linear Regression of Performance Appraisal Fairness, Job Satisfaction, and Organizational Commitment

Dependent Variable: Commitment						Result	
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.		
	B	Std. Error	Beta				
1	(Constant)	.778	.075		3.266	.001	
	Performance Appraisal Fairness	.183	.052	.186	3.531	.001	H1 Accepted
	Job Satisfaction	.648	.048	.712	13.492	.000	H2 Accepted

*Source: Primary data processed in 2018

6.2.2. t-test of Organizational Commitment on Job Performance. The equation is $Y = 0.286 + 0.371 X_1$. The regression coefficient of organizational commitment on job performance was 0.371. Organizational commitment had a significant positive influence on job performance, with a significance value of 0.000. Thus, H3 is accepted.

6.2.3. t-test of Performance Appraisal Fairness and Job Satisfaction on Job Performance. The equation is $Y = 1.596 + 0.155 X_1 + 0.499 X_2$. The regression coefficient of performance appraisal fairness on job performance was 0.155. Hence, a significant positive relationship exists between the two variables. With

a significance value of 0.035. The regression coefficient of job satisfaction on job performance was 0.499. Job satisfaction and performance had significant positive influence, with a significance value of 0.000.

Table 2
Linear Regression of Organizational Commitment on Job Performance

Dependent Variable: Job performance							
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Result
		B	Std. Error	Beta			
1	(Constant)	2.806	.295		9.527	.000	H5 Accepted
	Commitment	.371	.069	.399	5.389	.000	

*Source: Primary Data Processed in 2018

Table 3
Linear Regression of Performance Appraisal Fairness and Job Satisfaction on Job Performance

Dependent Variable: Job performance							
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Result
		B	Std. Error	Beta			
1	(Constant)	1.596	.389		4.107	.000	H3 Accepted
	Performance Appraisal Fairness	.155	.073	.176	2.124	.035	
	Job Satisfaction	.499	.106	.390	4.712	.000	

*Source: Primary data processed in 2018

6.2.4. F-test of Performance Appraisal Fairness and Job Satisfaction on Organizational Commitment. F-test results of performance appraisal fairness and job satisfaction on job performance showed a significance value of 0.000. Performance appraisal fairness and job satisfaction simultaneously influenced organizational commitment.

Table 4
F-Test of Performance Appraisal Fairness and Job Satisfaction on Commitment

ANOVA ^a							
Model		Sum of Squares	df	Mean Square	F	Sig.	Result
1	Regression	2785.149	2	1392.574	140.605	.000 ^b	H6 Accepted
	Residual	1495.533	151	9.904			
	Total	4280.682	153				

*Source: Primary data processed in 2018

6.2.5. F-test of Performance Appraisal Fairness and Job Satisfaction on Job Performance. F-test results of performance appraisal fairness and job satisfaction on job performance showed a significance value of 0.000. Performance appraisal fairness and job satisfaction simultaneously influenced job performance.

Table 5
F-Test of Performance Appraisal Fairness and Job Satisfaction on Job Performance

ANOVA ^a							
Model		Sum of Squares	Df	Mean Square	F	Sig.	Result
1	Regression	12.204	2	6.102	26.245	.000 ^b	H7 Accepted
	Residual	35.340	152	.232			
	Total	47.544	154				

*Source: Primary data processed in 2018

6.3. Path Analysis

Path analysis aims to understand the significant influence of performance appraisal fairness and job satisfaction through commitment on job performance.

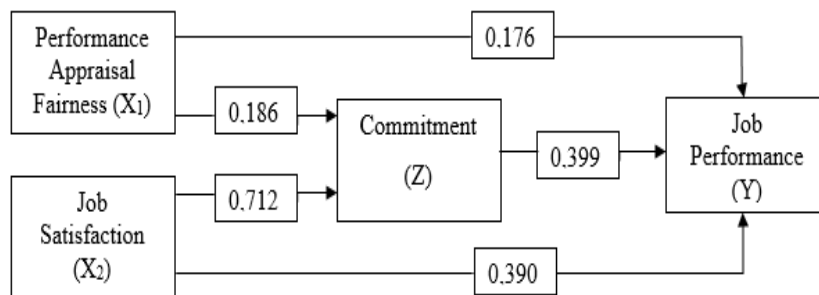


Figure 2: Analysis of Direct and Indirect Influence Paths

*Source: Primary data processed in 2018

The following is a summary of the path coefficient, direct influence, indirect influence, and total influence of performance appraisal fairness (X₁) and job satisfaction (X₂) through commitment (Z) on job performance(Y).

Table 6
Path Coefficient and Direct and Indirect Influences

Variables	Direct Influence	Indirect Influence	Total Influence
X ₁ → Z	0.186	-	0.186
X ₂ → Z	0.712	-	0.712
Z → Y	0.399	-	0.399
X ₁ → Y	0.176	-	0.176
X ₂ → Y	0.712	-	0.712
X ₁ → Z → Y	0.176	0.074	0.250
X ₂ → Z → Y	0.712	0.284	0.996

*Source: Primary data processed in 2018

The indirect influence of performance appraisal fairness through commitment on job performance was 0.074, whereas the direct value was 0.176. Hence, H8 is rejected. The indirect value of job satisfaction through commitment on job performance was 0.284 and the direct value was 0.172. Hence, H9 was also rejected. Table 7 summarizes the test results of the hypotheses.

Table 7
Recapitulation of Hypothesis Test Results

No.	Hypotheses	Result
H1	Performance appraisal fairness has a positive effect on commitment.	Proven
H2	Job satisfaction has a positive effect on commitment.	Proven
H3	Commitment has a positive effect on job performance.	Proven
H4	Performance appraisal fairness has a positive effect on job performance.	Proven
H5	Job satisfaction has a positive effect on job performance.	Proven
H6	Performance appraisal fairness and job satisfaction have a positive effect on commitment.	Proven
H7	Performance appraisal fairness and job satisfaction have a positive effect on job performance.	Proven
H8	Indirect influence of performance appraisal fairness on job performance with commitment as the intervening variable is greater than the direct influence.	Unproven
H9	Indirect influence of performance appraisal fairness on job performance with commitment as the intervening variable is greater than the direct influence.	Unproven

7. DISCUSSION

7.1. Descriptive Analysis of the Respondents

Based on the data, most respondents are male employees (79) and most (32) are 26–30 years old. Most respondents (43) completed a bachelor's degree and 52 respondents have worked for RSCC for 3–5 years. Demographic data can influence the way respondents answer the questionnaire as the variety of answers depends on each demography. Table 8 summarizes the demographics of the respondents.

Table 8
Summary of Respondent Descriptive Analysis

No.	Category	Highest Category	Frequency	%
1	Gender	Male	79	50.96
2	Age	26–30 years old	49	31.62
3	Education	Diploma	66	42.58
4	Length of work	2–5 years	52	33.54

*Source: Primary data processed in 2018, $n = 155$

7.2. Influence of Performance Appraisal Fairness on Commitment

H1 was accepted, with a significance value of 0.001. The positive and significance effect of performance appraisal fairness on commitment was supported by Salleh *et al.* (2013). The study found that to make the performance evaluation of civil servants more effective, the employees should first be given satisfaction on their performance appraisal. This step can be performed by conducting a fair performance appraisal. However, the research had a different sample group, which was government agencies. Ahmed *et al.* (2013) found that perceived performance appraisal fairness makes employees more committed and loyal to the organization, but the setting of the study was in the banking industry. Iqbal *et al.* (2016) found that perceived performance appraisal fairness can also increase the organizational commitment of employees. They found that performance appraisal fairness can be observed from the transparency of the performance appraisal. Employees who feel that the performance appraisal is fair and transparent and free from error tended to have a strong commitment with the organization. Based on the descriptive analysis of each variable, the most common factors that can make the respondents think that their performance appraisal is fair comes from the feedback provided and standards that the company applies when conducting the performance appraisal.

7.3. Influence of Job Satisfaction on Commitment

H2 was accepted, with a significance value of 0.001. The positive and significance effect of job satisfaction on employee commitment was supported by Aban *et al.* (2019), who indicated that an increase in job satisfaction increases organizational commitment. Zain and Setiawati (2019) found that job satisfaction has a positive and significant effect on the three dimensions of organizational commitment. Lumley *et al.* (2011) claimed that to make employees stay with an organization, the organization needs to review the existing pay, provide challenging and meaningful work tasks, and foster a positive co-worker relationship. The sample of this study comprised employees of a technology company. Although the context of their study is different from that of the present study, the theory they used was the same as this research's theory. Iqbal *et al.* (2016) found that perceived performance appraisal fairness and job satisfaction influence organizational commitment. Their research was conducted in MCB Bank. Samwel (2018) found a positive and significant relationship between job satisfactions and organizational commitment. Samwel (2018) found that solar companies were already aware about the importance of job satisfaction but missed implementing factors, such as promotion and employee development. Based on the descriptive analysis results, the factor that had the biggest contribution on respondent satisfaction is the fringe benefit that the company provides to the employees.

7.4. Influence of Commitment on Job Performance

H3 was accepted, with a significance value of 0.001. The positive and significance effect of commitment on job performance in this study had similar results with several previous studies. Syauta *et al.* (2012) found that by increasing employee commitment, employee performance will rise as well. The study used various theories, such as Gardner (1967) for commitment and Schwirician (1998) for job performance, which are different from the theories used in the present study. Another similarity is that the study was performed in the healthcare industry, which is the same location as the present study's context. Mrayyan *et al.* (2008) tested the relationship between career commitment and job performance. Their study showed a positive and significant

relationship between career commitment and job performance. Rachman (2014) further found that high commitment can improve employee performance. Al-Ahmadi (2008) reported that commitment makes nurses more active in doing their work, and the location of the study was the same as this study, which is the healthcare industry. Based on the descriptive analysis, the factor that has the biggest contribution in organizational commitment is affective commitment. Hence, RSCC should improve the organizational commitment of the employees through the affective commitment.

7.5. Influence of Performance Appraisal Fairness on Job Performance

H4 was accepted, with a significance value of 0.035. The positive and significance effect of performance appraisal fairness on job performance has similar results with several previous studies. Kumari (2012) found that performance appraisal fairness increases employees' effective job performance and bring outstanding outcomes for the organization. Kaleem *et al.* (2013) found that employee performances will be improved if employees received fair performance appraisal. Warroka *et al.* (2012) found that organizational justice in performance appraisal has a positive significant effect on work performance. They found that employees of a construction company were already aware of the importance of justice in performance appraisal especially for the feedback employees received.

7.6. Influence of Job Satisfaction on Job Performance

H5 was accepted, with a significance value of 0.001. The positive and significance effect of job satisfaction on job performance in this study have similar results with previous studies. Than *et al.* (2016) found that satisfaction among employees in the workplace reduced turnover intention, increased loyalty toward the organization, and made performance more effective. Shore and Martin (1989) reported that job satisfaction can improve the work performance of nurses. In addition, nurses who were satisfied with their jobs were more pleasant with the people whom they worked with. Moreover, job satisfaction mediated by commitment was stronger. Thus, combining job satisfaction and organizational commitment can result in outstanding work performance. Samwel (2018) found a strong correlation between job satisfaction and organizational commitment. Zain and Setiawati (2019) indicated that job satisfaction has a significant and positive effect on a worker's performance.

7.7. Influence of Performance Appraisal Fairness and Job Satisfaction on Commitment

H6 was accepted, with an F count of 140.605 and significance value of 0.000. This result is the same as that of Salleh *et al.* (2013), who reported that job satisfaction and performance appraisal fairness influence employee commitment. RSCC has already implemented job satisfaction well, as can be seen in the perception of the employees toward job satisfaction. Most employees were satisfied with their jobs, although some had low value in promotion. Hence, RSCC needs to evaluate the promotion system in the organization. For performance appraisal fairness, several employees thought that the performance appraisal they received was still far from fair, either in the process or the results used in the performance appraisal.

7.8. Influence of Performance Appraisal Fairness and Job Satisfaction on Job Performance

H7 was accepted, with an F count of 26.245 and significance value of 0.000. Hence, performance appraisal fairness and job satisfaction influence job performance. This result is supported by Fakhimi and Raisy (2013), who found that performance appraisal and job satisfaction have a significant relationship with work performance. When the employees are satisfied with the performance appraisal, various performance elements of the employees are affected. The job performance of RSCC employees have been criticized by a customer of RSCC. Being unfriendly to customers, being ineffective employees, and inefficient work performances are the biggest three customer complaints. Job satisfaction and performance appraisal fairness can improve employee performance. Performance appraisal fairness can help employees understand their performance very well, and job satisfaction can help maintain their desire to work hard in RSCC.

7.9. Influence of Performance Appraisal Fairness through Commitment on Job Performance

The direct influence of performance appraisal fairness (0.176) had a greater value rather than the indirect value (0.074), which used commitment as the intervening variable. Performance appraisal fairness has no mediation effect on job performance through commitment. Hence, H8 is rejected. The hypothesis was supported by Ahmed *et al.* (2013), who found that performance appraisal fairness has a positive significant effect on job performance with organizational commitment as the intervening variable.

7.10. Influence of Job Satisfaction through Organizational Commitment on Job Performance

The direct influence (0.176) of job satisfaction had a greater value rather than the indirect value (0.284), which used commitment as the intervening variable. This result was supported by Samwel (2018), who reported that direct influence has a greater value rather than indirect influence. Job satisfaction has mediation effect on job performance through organizational commitment. Hence, H9 is not supported. This hypothesis was supported by Shore and Martin (1989), who found that organizational commitment strengthens the relationship between job satisfaction and performance.

7.11. General Discussion

The results of this study show respondent perceptions about performance appraisal fairness, job satisfaction, organizational commitment, and job performance. Data were collected via a survey administered in RSCC. The purpose of this research study was to identify and analyze the influence of performance appraisal fairness and job satisfaction on job performance through organizational commitment as the intervening variable.

The four theories used in this research are from Greenberg (1986) for performance appraisal fairness, Spector (1997) for job satisfaction, Meyer and Allen (1997) for commitment, and Bernadin and Russel (1993) for job performance. Performance appraisal fairness has two indicators, namely, distributive and procedural justice. Job satisfaction has nine indicators, namely, payment, promotion, supervision, contingent rewards, fringe benefit, operational procedure, co-worker, nature of work, and communication. Commitment has three indicators, namely, affective, continuance, and normative. Job performance has six indicators, namely, quality, quantity, timeliness, cost effectiveness, interpersonal impact, and need for supervision. Out of the nine hypotheses, seven were accepted and two were rejected.

Although previous research had similar results with the present study, the contexts were different. Most studies were conducted in banks, hotels, and companies. Meanwhile, this research was conducted in the hospital industry, specifically, RSCC.

8. CONCLUSION

Performance appraisal fairness and job satisfaction had positive and significant influence on job performance and employee commitment partially and simultaneously. However, the direct influence of performance appraisal fairness and job satisfaction on job performance was greater than the indirect influence. Commitment between these variables weakened the influence, instead of strengthening the relationship. Hence, RSCC should improve employee job performance directly through performance appraisal fairness or job satisfaction and without the help of commitment.

ACKNOWLEDGEMENTS

This research was encouraged and supported by several parties. The researchers give thanks to Allah SWT and Prophet Muhammad SAW. Special appreciation goes to the Management Department of the Economics Faculty of Universitas Islam Indonesia. The department supported the research funding, conference publication, copyediting, and journal article publication. Lastly, this research is far from perfect but is useful for management study, especially in human resource management.

REFERENCES

- [1] Aban, C. J. I., Perez, V. E. B., Ricarte, K. K. G., & Chiu, J. L. (2019). The Relationship of Organizational Commitment, Job Satisfaction, and Perceived Organizational Support of Telecommuters in The National Capital Region. *Review of Integrative Business and Economics Research*, 8(4), 162-197.
- [2] Agrawal, R., & Gangai, K. N. (2014). Job Satisfaction and Organizational Commitment: Is It Important for Employee Performance. *Internatiounal Journal Management Business*, 5(4), 269-278.
- [3] Ahmad, H., Ahmad, K., & Shah, I. A. (2010). Relaionship between Job Satisfaction, Job Performance, Attitude towards Work and Organizational Commitment. *European Journal of Social Sciences*, 18(2), 257-267.
- [4] Ahmed, I., Khushi, S., & Islam, T. (2013). The Relationship between Perceived Firness in Performance Appraisal and Organizational Citizenship Behavior in the Banking Sector of Pakistan: the Mediating Role of Organizational Commitment. *International Journal of Management and Innovation*, 5(2), 75-88.
- [5] Akinbowale, M. A., & Lourens, D. C. (2013). The Impact of Performance Appraisal Policy on Employee Performance: A Case Study of Guaranty Trustt Bank in Nigeria . *Mediterranean Journal of Social Science*, 4(16), 677-686.
- [6] Al-Ahmadi, H. (2008). Factors Affecting Performance Hospital Nurses in Riyadh Region Saudi Arabia. *International Journal of Health Care Quality Assurance*, 22(1), 40-54.
- [7] Allen, N. J. and Mayer J. P. (1997). *Commitment in the Workplace: Theory, Research and Applications*. California: Sage Publications, Inc.

- [8] Armstrong, M. (2009). *Armstrong's Handbook of Human Resource Management Practice*: 11th ed. London: Kogan Page.
- [9] Azwar, S. (2004). *Reliabilitas dan Validitas*. Yogyakarta: Pustaka Pelajar Offset.
- [10] Bank, H., Ross, S., & Jr, T. G. (2013). From Motivation to Organizational Commitment of Volunteers in Non Profit Organization. *Journal of Management Development*, 32(1), 96-112.
- [11] Bernadin, HJ & Russel, JEA (1993). *Human Resource Management: An Experimental Approach*, New York, Mc Graw Hill Companies.
- [12] Campbell, J. P., McCloy, R. A., Oppler, S. H. and Sager, C. E. (1993) *A Theory of Performance: Personnel Selection in Organizations*. San Francisco: JosseyBass,
- [13] Clevelend, J. N., Murphy, K. R., & Williams, R. E. (1989). Multiple Uses of Performance Appraisal: Prevalance and Correlates. *Journal of Applied Psychology*, 74(1), 130-135.
- [14] Crow, M. M., Bae-Lee, C., & Joo, J.-J. (2011). Organizational Justice and Organizational Commitment among South Korea Police Officers. *An International Joournal of Police Strategies and Management*, 35(2), 402-423.
- [15] Dachapalli, L.-A. P. (2016). An Investigation Into the Level of Job Satisfaction and Organizational Commitment amongst South African Police Service Employees. *Problems and Perspective in Management*, 14(3) 76-84.
- [16] Dar, A. T., Bashir, M., & Ghazanfar, F. (2014). Mediating Role of Employee Motivation in Relationship to Post Selection HRM Practices and Oganizational Performance. *International Review of Management and Marketing*, 4(3), 224-238.
- [17] Dessler, G., & Tan, A. C. (2006). *Human Resource Management: An Asian Perspective*. Singapore: Pearson Prentice Hall.
- [18] Ghozali. I. (2009). *Aplikasi Analisis Multivariate dengan program SPSS*. Semarang: Badan Penerbit Universitas Diponegoro.
- [19] Greenberg, J. (1986). Determinants of Perceived Fairness of Perfomance Evaluation. *Journal of Applied Psychology*, 71(2), 340-342.
- [20] Greenberg, J. (1990). Organizational Justice: Yesterday, Today and Tomorrow. *Journal of Management*, 16(2), 399-432.
- [21] Griffin, R.W. (1996). *Management*. (5th edn). Boston: Houghton Mifflin Company.
- [22] Grobler, A. Warnich, S., Carrel, R., Elbert, F., and Hatfiel, D. (2011). *Human Resource Management in South Africa*. 4th Edition.
- [23] Handoko, T. Hani. (2014). *Manajemen Personalia dan Sumber Daya Manusia Edisi 2 Cetakan Keduapuluh satu*. BPF: Yogyakarta.
- [24] Hellriegel, D., Jackson, S.E., Slocum, J., Staudé, G., Amos, T., Klopper, H.B. Louw, L., Louw, M., Oosthuizen, T., Perks, S., Staude, G., & Zindiwe, S. (2004). *Management*. Cape Town, South Africa: Oxford University Press
- [25] Herzberg, F. (1996). *Work and the Nature of Man*. Cleveland. World Publishing Company.
- [26] Huselid, M. A., & Becker, B. E. (1997). The Impact of High Performance Work Systems, Implementation Effectiveness, and Alignment with Strategy on Shareholder Wealth. *Academy of Management Best Papers Proceedings*, 8(7), 144-148
- [27] Iqbal, N., Ahmad, N., Haider, Z., Batool, Y., & Qurat-ul-ain. (2013). Impact of Performance Appraisal on Employee's Performance Involving Moderating Role of Motivation. *Arabian Journal of Business and Management Review*, 3(1), 37-56.

- [28] Iqbal, Z., Iqbal, G., & Quibtia, M. (2016). Perceived Fairness of Performance Appraisal System and Its Impact on Job Satisfaction and Organizational Commitment; a Case Study of MCB Bank in Pakistan. *International Journal of Management and Commerce Innovations*, 3(2), 921-937.
- [29] Joo, B.-K., Yoon, H. J., & Jeung, C.-W. (2012). The Effect of Core Self-Evaluations and Transformational Leadership on Organizational Commitment. *Leadership and Organizational Development Journal*, 33(6), 564-582.
- [30] Kaleem, M. M., Jabeen, B., & Twana, M. J. Organizational Justice in Performance. (2013). Appraisal System: Impact on Employees Satisfaction and Work Performance. *International Journal of Management & Organizational Studies*, 2(2), 28-38.
- [31] Kanfer, R. and Kantrowitz, T. M. (2002) Ability and Non-Ability Predictors of Performance. *Psychological Management of Individual Performance*, 13(5), 27-50
- [32] Kumari, N. (2013). Impact of Perceived Fairness of Performance Appraisal on Employee Performance. *International Review of Basic and Applied Science*, 1(4), 116-128.
- [33] Kuvaas, B. (2011). The Interactive Role of Peformance Appraisal Reactions and Regular Feedback. *Journal of Managerial Psychology*, 14(7), 123-137.
- [34] Kuvaas, B. (2006). Performance Appraisal Satisfaction and Employee Outcome: Mediating and Moderating Roles of Motivation and Pay Level. *The International Journal of Human Resource Management*, 17(3), 504-522.
- [35] Landy, E J., Barnes, J. L., & Murphy, K. R. (1978). Correlates of Perceived Fairness and Accuracy of Performance Evaluation. *Journal of Applied Psychology*, 6(3), 751-754.
- [36] Lee, O. F., Tan, J. A., & Javalagi, R. (2010). Goal Orientation and Organizational Commitment: Individual Differences Predictors of Job Performance. *International Journal of Organizational Analysis*, 18(1), 129-150.
- [37] Lumley, E., M. Coetzee, R. T., & Ferreira, N. (2011). Exploring the Job Satisfaction and Organizational Commitment of the Employees in the Information Technology Environment. *Southern African Business Review*, 15(1), 100-118.
- [38] Mangkunegara, A. A. A. P. (2013), *Manajemen Sumber Daya Manusia*, 11th, Bandung, PT Remaja Rosadakarya
- [39] Mathis, R. L., & Jackson, a. J. (2006). *Human Resource Management*. United State: Thomson South-Western.
- [40] McShane, Steven L., & Glinow, Marry Ann Von. (2009). *Organizational Behavior: Emerging Knowledge and Practice for The Real World*, 5th Edition. McGraw-Hill/Irwin: New York.
- [41] Memari, N., Mahdih, O., & Marnani, A. B. (2013). The Impact of Organizational Commitment on Employee Job Performance: A Study of Meli Bank. *Interdisciplinary Journal of Contemporary Research*, 5(5), 164-171.
- [42] Mrayyan, M. T., Al-Faouri, & Ibrahim, R. P. (2008). Career Commitment and Job Performance of Jordanian Nurses. *Nursing Forum*, 43(1), 24-37.
- [43] Maslow, A. (1954). *Motivation and personality*, New York: McGraw Hill.
- [44] Mowday, R.T., Porter, L.W. and Steers, R. M. (1982), *Employee-Organization Linkage: The psychology of Commitment, Absenteeism, and Turnover*, Academic Press, New York, NY.

- [45] Munir, S., Amin, A., Muda, S., & Halim, M. A. (2012). Fairness of Performance Appraisal and Organizational Commitment. *Canadian Center of Science and Education*, 9(2), 121-128.
- [46] Piyali, G., Rai, A., & Cauhan, R. (2016). Reward and Recognition to Engage Private Bank Employees . *Management Research Review*.
- [47] Rachman, A. A. (2014). The Effect of Organization Commitment and Procedural Fairness on Participative Budgeting and Its Implication to Performance Moderating by Management Accounting Information (A Survey on Province Local Government Unit Agencies of West Java). *Review of Integrative Business and Economics Research*, 3(1), 201-2018.
- [48] Rane, D. B. (2011). Employee Job Satisfaction. *HRM Review*, 9(7),10-16.
- [49] Ravens, Christina. (2012). *Internal Brand Management In An International Context*. Springer Fachmedien Wiesbaden: Leipzig
- [50] Rishani, H. N. (2018). The Relationship among Performance Appraisal Satisfaction, Career Development and Creative Behavior. *The JOURNAL of Developing Area*, 52(3), 109-124.
- [51] Robbin, S.P. (2001), *Organizational Behavior*, New Jersey: Prentice Hall.
- [52] Robinson, D., Perryman, S., & Hayday, S. (2004).The Drivers of Employee Engagement (408). Brighton, UK: Institute for Employment Studies. Retrieved from:<http://www.wellbeing4business.co.uk/docs/Article%20-%20Engagement%20research.pdf>
- [53] Salleh, M., Amin, A., Muda, S., & Halim, M. A. S. (2017). Fairness of Performance Appraisal and Organizational Commitment. *Canadian Center of Science and Education*, 9(2), 121-128.
- [54] Samwel, J. O. (2018). Effect of Job Satisfaction on Employees' Commitment and Organizational Performance-Study of Solar Energy Companies in Lakezone Regions, Tanzania. *International Journal of Economic and Management*, 4(4) 823-835.
- [55] Schwirian, P. (1978). Evaluating the Performance of Nurses: A multidimensional approach. *Nursing Research*, 27(6), 347-351.
- [56] Shah, N. (2011). Investigating Employee Career Commitment Factors in a Public Sectors Organisation of a Development Country. *Journal of Enterprise Information*, 24(6), 534-546.
- [57] Sholihin, M., & Pike R. (2009). Fairness in Performance Evaluation and Its Behavioral consequences. *Journal of Business Research*, 39(4), 397-413
- [58] Shore, L. M., & Martin, H. J. (1989). Job satisfaction and organizational commitment in relation to work performance and turnover intention. *Human Relation*, 42(7) , 625-638.
- [59] Sila, E., & Sirok, K. (2018). The Importance of Employee Satisfaction: A Case Study of a Transportation and Logistic Service Company. *Management*, 111-136.
- [60] Smither, J.W. (1998). *Lessons Learned: Research Implications for Performance Appraisal and Management Practice*. San Francisco: Jossey-Bass.
- [61] Springer, G. J. (2011). A Study of Job Motivation, Satisfaction and Performance among Bank Employees. *Journal of Global Business Issues*, 5(1), 29-42.
- [62] Swanson, R. A. (2005). Evaluation, a State of Mind. *Advances in Developing Human Resources*. 7 (1), 16-21.
- [63] Spector, P. (1997). *Job Satisfaction: Application, Assessment, Causes and Consequences*. California: Sage.

- [64] Spector, P. 2008. *Industrial and Organizational Behavior* (5th edition). New Jersey: JohnWiley & Sons.
- [65] Syauta, J. H., Troena, E. A., Setiawan, M., & Solimun. (2012). The Influence of Organizational Commitment to Job Satisfaction and Employee Performance. *International Journal of Business and Management Invention*, 1(1) 69-76
- [66] Than, V. D., Pham, C. H., & Pham, L. (2016). Job Stress, Involvement, Satisfaction and Performance of Employees in Garment 10 Corporation in Vietnam. *International Journal of Financial Research*, 7(3), 96-109.
- [67] Teriyama, S. J., Timothy, A. T., Faajir, A., Jhon, E., & Vivien, U. (2016). Motivational Factors as Determinant of Employee Commitment and Performance Enhancement in Profit Orientation: A Survey Selected Brewery Manufacturing Companies in Nigeria. *International Journal of Business and Economic Development*, 4(2) 112-129.
- [68] Valantiniene, I., and Krikstaponyte, I. (2016). Winning Challenge in the Era of Globalization: The Mastery of Business Management and Development. *Lithuanian Academy of Physical Education*. 3(2) 28-36.
- [69] Vandenaabeele, W. (2009). The Mediating Effect of Job Satisfaction and Organizational Commitment on Self-reported Performance: More Robust Evidence of the PSM-performance Relationship. *International Review of Administrative Science*, 75(1), 11-34.
- [70] Vroom, V.H (1964). *Work and motivation*, New York: John Wiley.
- [71] Warokka, A., Gallato, C., G., Moorthy, T. (2012). Organizational Justice in Performance Appraisal System and Work Performance: Evidence from an Emerging Market, *Journal of Human Resources Management Research*. 20(22), 1-28.
- [72] Zain, A. N., & Setiawati, T. (2019). Influence of Work Family Conflict and Job Satisfaction on Medical Employee Performance through Organizational Commitment. *Review of Integrative Business and Economics Research*, 8(1), 1-19.
- [73] Zaman, F.-T.-Z. B., Muhammad, N., & Khanam, B. (2014). Relationship of Work Motivation and Organizational Commitment with Job Satisfaction of Female Police Constable. *Journal of Organization and Human Behavior*, 6(5), 139-143.